

Hearing Date and Time: April 19, 2010 at 9:30 a.m
Location: 900 Market St., Courtroom #2, Phila., PA 19107

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

In re: : Chapter 11
:
FORT WASHINGTON DENTAL :
LAB, INC. :
:
:
Debtor : Bankruptcy No.: 09-19301 (BIF)

**ACTING UNITED STATES TRUSTEE'S MOTION TO CONVERT
OR DISMISS CASE**

The Acting United States Trustee for Region Three, by and through her undersigned counsel, pursuant to 11 U.S.C. Section 1112(b), requests the Court to enter an Order converting the above-captioned case to Chapter 7, or in the alternative, dismissing this case, and in support thereof states as follows:

1. Roberta A. DeAngelis is the Acting United States Trustee for this jurisdiction.
2. Pursuant to 28 U.S.C. Section 586, the United States Trustee is responsible for the supervision and administration of all cases filed under Chapter 11 of the Bankruptcy Code. The United States Trustee has standing to request conversion or dismissal of this case. 11 U.S.C. §§ 307, 1112(b).
3. The Debtor filed a petition for relief under Chapter 11 of the Bankruptcy Code on or about December 1, 2009. Since that date, the Debtor has remained in possession of its assets and has operated as a debtor-in-possession. 11 U.S.C. §§ 1107, 1108.
4. Bankruptcy Code Section 1112 provides for the conversion or dismissal of Chapter 11 cases. Under that section, after notice and hearing, for cause shown, the Court may

convert or dismiss a case, whichever is in the best interest of creditors and estate. 11 U.S.C. § 1112(b).

5. The Debtor has failed to submit all required monthly operating reports to the United States Trustee. The Debtor's failure to do so is cause for conversion or dismissal pursuant to 11 U.S.C. § 1112(b)(4)(F).

6. The Debtor has failed to submit quarterly fees payments to the United States Trustee pursuant to 28 U.S.C. § 1930(a)(6), which fees are obligations of all debtors to the United States Trustee directly resulting from the administration of this case. The Debtor's failure to do so is cause for conversion or dismissal pursuant to 11 U.S.C. § 1112(b)(4)(K).

7. The debtor is unable and/or unwilling to effectuate a plan of reorganization.

8. The Acting United States Trustee avers that cause exists pursuant to 28 U.S.C. § 1112(b) to convert or in the alternative, dismiss this case.

WHEREFORE, based on the foregoing, the Acting United States Trustee requests that her Motion be granted, including conversion of this case to Chapter 7 or dismissal of this case and for all other relief that is appropriate. The Acting United States Trustee further requests that if the court dismisses this case that a judgment order be entered against the Debtor and in favor

of the Acting United States Trustee setting the amount of quarterly fees owed pursuant to 28 U.S.C. § 1930(a)(6).

Respectfully submitted,

ROBERTA A. DEANGELIS
Acting United States Trustee, Region 3

BY: /s/ Kevin P. Callahan
KEVIN P. CALLAHAN
Trial Attorney
Office of the U.S. Trustee
833 Chestnut Street, Suite 500
Philadelphia, PA 19107
Telephone: (215) 597-4411
Facsimile: (215) 597-5795

Dated: March 18, 2010